

**COMBINING STATEMENT OF CASH FLOWS**  
**INTERNAL SERVICE FUNDS**  
FISCAL YEAR ENDED SEPTEMBER 30, 2005  
(In Thousands)

	CORRECTIONAL INDUSTRIES REVOLVING FUND	MOTOR TRANSPORT FUND	OFFICE SERVICES REVOLVING FUND
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers	\$ 36,168	\$ 58,987	\$ 93,188
Payments to employees	(14,413)	(2,807)	(11,709)
Payments to suppliers	(14,883)	(51,318)	(80,056)
Claims paid	-	-	-
Other receipts	-	21	-
Other payments	(7,357)	-	-
Net cash provided (used) by operating activities	<u>\$ (484)</u>	<u>\$ 4,883</u>	<u>\$ 1,423</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Loans or loan repayments from other funds	\$ 188	\$ 1,959	\$ 5,014
Loans or loan repayments to other funds	-	(6,914)	(5,126)
Transfers to other funds	(208)	(28)	(106)
Other receipts	-	-	8
Net cash provided (used) by noncapital financing activities	<u>\$ (20)</u>	<u>\$ (4,983)</u>	<u>\$ (211)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Acquisition and construction of capital assets	\$ (544)	\$ -	\$ (61)
Interest paid	(188)	-	-
Capital lease payments (including imputed interest expense)	-	-	(1,340)
Proceeds from sale of capital assets	-	129	1
Net cash provided (used) by capital and related financing activities	<u>\$ (732)</u>	<u>\$ 129</u>	<u>\$ (1,399)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest and dividends on investments	\$ -	\$ -	\$ -
Net cash provided (used) by investing activities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net cash provided (used) - all activities	\$ (1,236)	\$ 30	\$ (187)
Cash and cash equivalents at beginning of year	<u>1,180</u>	<u>(10)</u>	<u>18</u>
<b>Cash and cash equivalents at end of year</b>	<u><u>\$ (56)</u></u>	<u><u>\$ 19</u></u>	<u><u>\$ (169)</u></u>
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS</b>			
Per Statement of Net Assets Classifications:			
Cash	\$ -	\$ 58	\$ 157
Equity in common cash	238	-	211
Warrants outstanding	(294)	(39)	(537)
Cash and cash equivalents at end of year	<u><u>\$ (56)</u></u>	<u><u>\$ 19</u></u>	<u><u>\$ (169)</u></u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>			
Operating income (loss)	\$ (2,319)	\$ 677	\$ 472
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:			
Depreciation expense	1,512	745	2,248
Net Changes in Assets and Liabilities:			
Inventories	121	(70)	107
Other assets (net)	(286)	1,762	(1,972)
Accounts payable and other liabilities	488	1,770	567
Net cash provided (used) by operating activities	<u><u>\$ (484)</u></u>	<u><u>\$ 4,883</u></u>	<u><u>\$ 1,423</u></u>
<b>SCHEDULE OF NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES</b>			
Capital contributions	\$ -	\$ -	\$ -
Cost of capital assets acquisitions			
financed by capital leases	-	-	-
Capital lease liabilities entered into during the year	-	-	-
Gain (loss) on disposal of capital assets	(211)	-	(53)
Total noncash investing, capital, and financing activities	<u><u>\$ (211)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (53)</u></u>

**COMBINING STATEMENT OF CASH FLOWS**  
**INTERNAL SERVICE FUNDS**  
FISCAL YEAR ENDED SEPTEMBER 30, 2005  
(In Thousands)

	INFORMATION TECHNOLOGY FUND	RISK MANAGEMENT FUND	STATE SPONSORED GROUP INSURANCE FUND	TOTALS
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers	\$ 431,776	\$ 4,765	\$ 920,463	\$ 1,545,348
Payments to employees	(144,913)	(664)	-	(174,505)
Payments to suppliers	(252,428)	(1,391)	(259,521)	(659,598)
Claims paid	-	(3,032)	(714,081)	(717,113)
Other receipts	-	-	-	21
Other payments	-	-	-	(7,357)
Net cash provided (used) by operating activities	\$ 34,435	\$ (321)	\$ (53,139)	\$ (13,203)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Loans or loan repayments from other funds	\$ -	\$ -	\$ 12,040	\$ 19,201
Loans or loan repayments to other funds	-	-	(6,973)	(19,013)
Transfers to other funds	(907)	-	-	(1,248)
Other receipts	-	(13)	-	(5)
Net cash provided (used) by noncapital financing activities	\$ (907)	\$ (13)	\$ 5,067	\$ (1,065)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Acquisition and construction of capital assets	(18,388)	\$ -	\$ -	\$ (18,993)
Interest paid	-	-	-	(188)
Capital lease payments (including imputed interest expense)	(11,402)	-	-	(12,741)
Proceeds from sale of capital assets	-	-	-	130
Net cash provided (used) by capital and related financing activities	\$ (29,790)	\$ -	\$ -	\$ (31,792)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest and dividends on investments	\$ -	\$ -	\$ -	\$ -
Net cash provided (used) by investing activities	\$ -	\$ -	\$ -	\$ -
Net cash provided (used) - all activities	\$ 3,739	\$ (334)	\$ (48,072)	\$ (46,060)
Cash and cash equivalents at beginning of year	23,908	8,310	237,533	270,939
<b>Cash and cash equivalents at end of year</b>	<b>\$ 27,647</b>	<b>\$ 7,976</b>	<b>\$ 189,461</b>	<b>\$ 224,879</b>
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS</b>				
Per Statement of Net Assets Classifications:				
Cash	\$ -	\$ -	\$ 3	\$ 219
Equity in common cash	28,385	7,984	189,463	226,281
Warrants outstanding	(738)	(8)	(5)	(1,621)
Cash and cash equivalents at end of year	\$ 27,647	\$ 7,976	\$ 189,461	\$ 224,879
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>				
Operating income (loss)	\$ (4,071)	\$ 1,191	\$ (53,834)	\$ (57,884)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:				
Depreciation expense	38,680	-	-	43,185
Net Changes in Assets and Liabilities:				
Inventories	(19)	-	-	139
Other assets (net)	45	1	5,472	5,023
Accounts payable and other liabilities	(200)	(1,513)	(4,778)	(3,665)
Net cash provided (used) by operating activities	\$ 34,435	\$ (321)	\$ (53,139)	\$ (13,203)
<b>SCHEDULE OF NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES</b>				
Capital contributions	\$ 35	\$ -	\$ -	\$ 35
Cost of capital assets acquisitions				
financed by capital leases	8,991	-	-	8,991
Capital lease liabilities entered into during the year	(8,991)	-	-	(8,991)
Gain (loss) on disposal of capital assets	-	-	-	(265)
Total noncash investing, capital, and financing activities	\$ 35	\$ -	\$ -	\$ (230)